

Hamill, Elizabeth

Subject: FW:

Attachments: WASHINGTON-#5158412-v1-
Cyprus_House_SFOPS_USAID_Questions_for_Shah_FY12_FINAL.DOCx

From: Harris, Laurence

Sent: Wednesday, March 23, 2011 4:43 PM

To: 'chris.bigelow@mail.house.gov'

Subject:

Hi Chris

Attached are suggested questions related to Cyprus which we would like to request Congresswoman Lowey consider asking during next week's hearing on the FY2012 budget request for USAID (see hearing notice below). We would very much appreciate your assistance in raising these issues during the hearing on Wednesday, March 30th --

Budget Hearing - US Agency for International Development (USAID) - USAID Administrator

Date: 3/30/11

Time: 10:00 AM

Location: 2359 Rayburn

Type: Hearing

Dr. Rajiv Shah, USAID Administrator Fiscal Year 2012 Budget Request for US Agency for International Development (USAID)

Please do not hesitate to let us know if you have any questions.

Sincerely,

Larry

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*This material is distributed by Patton Boggs LLP on behalf of the Embassy of the Republic of Cyprus.
Additional information is available at the Department of Justice in Washington, D.C.*

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**HOUSE APPROPRIATIONS SUBCOMMITTEE ON STATE,
FOREIGN OPERATIONS AND RELATED PROGRAMS**

FY2012 Budget for USAID

March 30, 2011

Draft Questions for USAID Administrator Rajiv Shah

Q: With respect to Cyprus, the United States' policy has been to support a Cyprus settlement, under the auspices of the United Nations, based on a bi-communal, bi-zonal federation with a single sovereignty and international personality and a single citizenship, with its independence and territorial integrity safeguarded, and comprising two politically equal communities as provided by the relevant United Nations Security Council Resolutions. As such, the President's budget proposal typically recognizes the reunification of Cyprus as an opportunity to advance U.S. interests in the region.

Since 1993, Congress has supported that interest through the appropriations process, appropriating Economic Support Funds (ESF) to Cyprus for reunification but restricting that the funds "be used only for scholarships, administrative support of the scholarship program, bicomunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus."

As you know, the on-going division of Cyprus presents a unique situation that warrants a level of scrutiny concerning the provision of United States assistance that goes beyond that which is required for other countries. Indeed, in recent years, there have been concerns in Congress regarding the lack of transparency related to the uses of this funding on the island.

The USAID website does not appear to provide up-to-date information on programs in Cyprus supported by ESF funding. In fact, the most recent information on its website is nearly two years old. Can you please provide this Committee with a detailed accounting of programs supported by ESF funds on the island, for the past five years, including the recipients of funds for each year, the uses to which those funds have been put, and the role of those funds in helping achieve the reunification of Cyprus?

Q: The President's budget proposal typically recognizes the reunification of Cyprus as an opportunity to advance U.S. interests in the region by requesting Economic Support Funds (ESF) for the island. Further, the Department's FY2012 budget justification requests, as it has in previous years, that Cyprus programs focus on "encouraging the eventual reunification of the island by building support for the peace process, increasing the capacity of civil society to advocate for reconciliation and reunification, and furthering economic integration."

These programs are supposed to help lay the groundwork for a solution by promoting cooperation and reconciliation on the island. Despite little progress in the negotiations, how is such a reduction in funding consistent with the stated importance attached to the reunification of Cyprus as a bicommunal, bizonal federation?